

1951

NEW HAMPSHIRE LAW LIBRARY

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W. J. Phillips, State Treasurer,  
State House

CONCORD, N.H.

Dear Sir:

You have inquired relative to the duty of appropriation accounting intended to be performed by the State Treasurer by virtue of section 3, chapter 22 of the Revised Laws.

Section 3 provides that the State Treasurer "shall keep separate accounts with each officer entitled to a salary and with each appropriation".

An appropriation is a legislative "direction for payment". State v. Kimball, 96 N.H. 377, 380. Otherwise stated, an appropriation is a legislative authorization specifying an amount of public funds allowed and designated for a specific general or special purpose. Using chapter 255, Laws of 1951 (H.B. 446-a) as a frame of reference, this chapter made certain general appropriations for the purpose of operating the various departments of the State. Each appropriation contains an allotment for various operating items within the department. Totals of appropriation items are carried in the margin under each major appropriation for each department.

It is my opinion that the State Treasurer will meet the legal requirement of maintaining a separate account with each appropriation if a separate account is carried for each major item. For example, under the Adjutant General's Department, a separate account entitled Central Administrative Office would be maintained totaling \$27,690. A separate account within this control account would be maintained for the salary of the Adjutant General plus all other expenses or advancements to the Adjutant General for travel or other expenses. Or if it would better suit the practical requirements of accountancy, one control account totaling \$20,730 would be maintained for the allotments of "other personal services", \$15,780, "Current expenses," \$4,200, and "Equipment", \$750, and a separate salary account for the Adjutant General. It is believed that this type of appropriation accounting will meet the intention of the Legislature in enacting section 3, chapter 22 of the Revised Laws to provide a separate account with each appropriation so as not to exceed appropriations by unauthorized disbursements.

With regard to the requirement of maintaining a separate account with each officer entitled to a salary, it is the apparent intention of the

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Legislature to include in this account not only the amount drawn by each officer as salary but also all other amounts drawn by the officer for travel or other current expenses. In this manner the Legislature would be able to determine whether or not certain officers were unnecessarily enhancing their salaries with various other allowances.

With regard, however, to capital budget items, so-called, chapter 254 (H.B. 421-c), Laws of 1951, it is my opinion that the State Treasurer must maintain a separate account with each item rather than the total of the marginal summary. For example, under I, For the State Hospital, are listed the following items:

Extension of sprinkler system	\$ 92,400
New bakery	110,000
Facilities for sexual psychopaths	20,000
Alterations to power plant	75,000
State roof - Thayer building	22,000
Remodel Thayer building	30,282
X-ray unit	12,000
Farm improvements	19,900
Maintenance equipment	5,100
Beds for infirmary	6,996
Nursing equipment	2,870
Automobiles - new and replacement	4,000
Laundry	22,000
Accoustic ceiling Brown Building	<u>4,410</u>

The State Treasurer must maintain separate accounts entitled "Extension of Sprinkler System", "new bakery", etc., in order that expenditures will not exceed the amount of each such appropriation.

Section 6 of chapter 254, Laws of 1951, provides "The sums as appropriated in each project of section 1 shall be used as allotted and funds not used shall lapse". This is a clear confirmation of an apparent legislative intent to use moneys appropriated for each project within the limits of such appropriation.

If the State Treasurer has a sufficient obligation to maintain separate accounts with appropriation allotments under chapter 255 of the Laws of 1951, then as a matter of conservative accounting policy and in the interests of detailed controls it would seem that the Treasurer should maintain such accounts even though they may not be necessary as a matter of the bare minimum required by law.

Very truly yours,

John N. Nassikas  
Assistant Attorney General